

Montana Public Service Commission  
1701 Prospect Avenue  
PO Box 202601  
Helena MT 59620-2601

For more information, contact:  
Martin Jacobson - 406-444-6178

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#### PSC INVITES PUBLIC COMMENT ON PROPOSED EXTENDED AREA PHONE SERVICE

The Public Service Commission will conduct public hearings in Missoula, Stevensville and Hamilton on December 9 and 10 to hear comments on US West Communications' proposals for telephone extended area service between the existing Missoula calling area, Stevensville, Victor, Hamilton and Darby. Extended area service expands local calling areas so that customers' phone calls within an EAS region will be local, not long-distance. However, local phone rates in an EAS region must increase to recover EAS costs. US West has proposed three rate alternatives under which EAS, if approved by the PSC, could be provided to include Missoula, Stevensville, Victor, Hamilton and Darby in one local calling area.

The hearings will be held at the following times and locations:  
Hamilton - Monday, December 9, at 3 p.m., city hall ballroom.

Stevensville - Monday, December 9, at 7 p.m., Stevensville High School study hall.

Missoula - Tuesday, December 10, at 7 p.m. in the Sentinel High School library, 901 South Avenue West.

US West has proposed three rate options for EAS in the Missoula region. If the PSC approves EAS, it must choose one of the options, or develop an alternative.  
Option 1 - Increase local phone rates by \$2.62 per month in all exchanges in the state where EAS is implemented.

Option 2 - Increase local rates based on the total number of lines in the EAS region. Generally, the more lines in a region, the greater the rate increase. Under this option, Missoula, Frenchtown, Stevensville, Victor, Hamilton and Darby customers' local phone bills would increase by \$3.22 per month.

Option 3 - Increase local rates in individual exchanges based on the number of additional lines EAS makes available for local calling from those exchanges. Under the four alternatives of this option, the rate increase for Missoula customers would be smaller than the rate increases for the outlying exchange customers. The four alternatives are:

- a) a monthly increase of \$2.36 for Missoula customers and \$4 for Stevensville, Victor, Hamilton and Darby;
- b) a monthly increase of \$2 for Missoula customers and \$5.65 for Stevensville, Victor, Hamilton and Darby;

- more - c) a monthly increase of \$1.50 for Missoula customers and \$7.93 for Stevensville, Victor,

- Hamilton and Darby;
- d) a monthly increase of \$1 for Missoula customers and \$10.19 for Stevensville, Victor,

Hamilton and Darby.

According to PSC member Bob Rowe, last fall the PSC wrote new EAS rules, based on extensive technical and public comment. Now the Commission is considering a series of specific proposals by US West for EAS within seven major regions of the state served by US West, and also for West Glacier (served by US West) and the rest of Flathead County (served by PTI).

Rowe explained, "Most parts of Montana have 'hub and spoke' calling patterns. Generally, EAS is supported by customers in more rural areas (the spokes) who must make many long distance calls into nearby urban areas (the hubs). Most opponents of EAS are from the urban hubs, who make fewer calls to the rural spokes, and are often less willing to have local phone rates increase to pay for EAS.

"The demand for EAS is customer-driven. The Commission's challenge is to balance the interests of all customers in a way which produces the best result for the whole community."

PSC member Dave Fisher said, "The bottom line in this docket is whether or not ratepayers are willing to pay a higher basic rate to replace the lost revenue associated with EAS. I encourage the public to take this opportunity to let the commission know their opinions."

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